

BEFORE THE BOARD OF OIL, GAS AND MINING
DEPARTMENT OF NATURAL RESOURCES AND ENERGY
in and for the STATE OF UTAH

mine file
to be published
4/7/83. P.F.

IN THE MATTER OF APPROVAL OF THE
NOTICE OF INTENT AND RECLAMATION
PLAN SUBMITTED BY KOLT MINING
COMPANY, BEAVER COUNTY, UTAH

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ORDER TO SHOW CAUSE
NO. ACT/001/006

THE STATE OF UTAH TO ALL OPERATORS, TAKERS OF PRODUCTION, MINERAL AND
ROYALTY OWNERS, AND PARTICULARLY ALL PERSONS INTERESTED IN SECTIONS 17, 18, 19
AND 20, TOWNSHIP 28 SOUTH, RANGE 9 WEST, BEAVER COUNTY, UTAH.

Notice is hereby given that tentative approval was given by the Division
of Oil, Gas and Mining, on March 24, 1983, to Kolt Mining Company to commence
surface mining and milling of noble metals in Sections 17, 18, 19 and 20,
Township 28 South, Range 9 West, Beaver County, Utah. The name of the mine is
the Milford Project and the person representing the company in this matter is
Mr. Lloyd Wall, President, 942 East 7145 South, Suite 105, Midvale, Utah 84047.

Kolt Mining Company has fulfilled obligations under the Utah Mined Land
Reclamation Act of 1975, (Section 40-8, U.C.A., 1953, as amended), and will
employ the following mining and reclamation practices on approximately 84.5
acres of Federal BLM land.

During Operations:

1. Topsoil will be removed and stockpiled so as to protect it from wind and water erosion and seeded during the first fall seeding season.
2. Initially, overburden removed during the first year of mine development will be used to build the tailings dam and haul roads. Remaining overburden will be placed in the waste disposal area.
3. Ore will be mined in 10-foot benches, low grade ore being stored for future processing and higher grade ore being hauled to the crusher. Crushed ore will be processed and refined through a cyanidation process to separate the noble metals from the ore.
4. Tailings from the mill will be collected in a settling pond from which process water will be recycled for future uses. Initially the settling pond will be constructed to hold two years of tailings and expanded as more storage capacity is needed. The tailings dam will be seeded and stabilized during construction.

AFTER OPERATIONS:

1. Surfaces of the mill area and the waste rock dumping area will be regraded to the existing topography.
2. The mine pit wall will be reduced to a 1:1 slope during mining, thus no highwalls will be left.

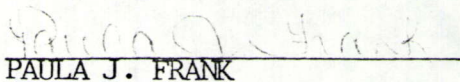
3. Topsoil will be replaced as evenly as possible and left in a cobbly or cloddy condition to help conserve soil moisture.
4. Roads of no value to post mining land uses will be scarified, regraded with topsoil and revegetated.
5. Present plans are to abandon the tailings sediment pond in a manner that it can be used for animal watering. Should this become an unacceptable alternative at the time of final reclamation the dam will be recontoured and reclaimed in the same manner as the rest of the areas of surface disturbance.

Reclamation performance surety will be established prior to issuing final approval of the mining and reclamation plan.

Any person or agency aggrieved by this tentative decision is hereby requested to submit written protest within 30 days of the date of publication to the Division of Oil, Gas and Mining, 4241 State Office Building, Salt Lake City, Utah, setting forth factual reasons for their complaint and thereafter at a time and place heretobe established, appear before the Board of Oil, Gas and Mining to show cause, if any there be, why this plan should not be approved.

DATED this 1st day of April, 1983.

STATE OF UTAH
BOARD OF OIL, GAS AND MINING


PAULA J. FRANK
Secretary of the Board